

Public Agenda Item #16

Review, Discussion and Selection of Contract Award
Recommendation for Actuarial Services for Insurance

May 17, 2016

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Actuarial Services for Insurance

Background



- ERS contracts with a qualified actuarial firm for services related to the GBP pursuant to § 1551.210, Texas Insurance Code
- Provide services to assist ERS in the administration of the GBP, including:
 - Experience reporting and studies
 - Trend, claims, reserves and financial analysis
 - GASB and valuation reporting

Actuarial Services for Insurance

Request for Proposal



- ERS issued an RFP January 8, 2016, seeking proposals from qualified firms to provide actuarial services for the GBP
- Responses were due February 17, 2016
- Proposals were received from two vendors
 - Rudd & Wisdom, Inc.
 - Segal Consulting

Actuarial Services for Insurance

RFP Evaluation



- Proposals were evaluated based on the following criteria:

Evaluation Criteria	
Satisfaction of minimum requirements	Service verification (finalists only)
Compliance with RFP	Financial considerations
Qualifications and experience	Contractibility
Price proposal	Legal disclosures

Actuarial Services for Insurance

RFP Evaluation (cont'd)



- Review and evaluation conducted by a cross-divisional team
 - Seven divisions comprised the evaluation team
 - Team members were assigned to individually evaluate sections of the proposal that relate to their subject matter expertise
- Rudd & Wisdom and Segal Consulting were selected as finalists
- Team members further vet each finalist through various avenues

Evaluating Finalists Beyond the Proposal

Clarification requests and responses	Face-to-face interviews
Reference checks	Best and final offers

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Staff Recommendation



- Based on the submitted proposals, clarifications, face-to-face interviews and comprehensive analysis performed by the evaluation team, the Director of Procurement and Contract Oversight was able to sign off on best value
- Staff recommends the contract award for the firm to provide actuarial services for insurance

Questions?